

State of Utah

Department of **Natural Resources**

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

Representatives Present During the Inspection:						
Company	Vicky S. Miller Environmental Specialist					
OGM	Steve Demczak Environmental Scientist III	_				

Inspection Report

Permit Number:	C0070018 COMPLETE		
Inspection Type:			
Inspection Date:	Tuesday, November 06, 2007		
Start Date/Time:	11/6/2007 10:00:00 AM		
End Date/Time:	11/6/2007 12:00:00 PM		
Last Inspection:	Friday, September 21, 2007		

Inspector: Steve Demczak, Environmental Scientist III

Weather: Sunny, 60's

InspectionID Report Number: 1478

Accepted by: dhaddock

Permitee: CANYON FUEL COMPANY LLC Operator: CANYON FUEL COMPANY LLC

Site: SOLDIER CANYON MINE

Address: PO BOX 1029, WELLINGTON UT 84542

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current	Acreages
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Total Permitted	6,624.64	
Total Disturbed	24.32	
Phase I		
Phase II		
Phase III		

Mineral Ownership

Types of Operations ✓ Federal ✓ Underground State Surface County Loadout Fee Processing Other Reprocessing

Date

Tuesday, November 27, 2007

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Permit Condition: Canyon Fuel Company has just one permit condition for the Soldier Canyon Mine; to submit water quality data in an electronic format through the Electronic Data Input web site.

Permitting Actions: None

Inspector's Signature:

Steve Demczak, Environmental Scientist III

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

Inspector ID Number: 39

Permit Number: C0070018 Inspection Type: COMPLETE

Inspection Date: Tuesday, November 06, 2007

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- Substantiate the elements on this inspection by checking the appropriate performance standard.
 For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

		Evaluated	Not Applicable	Comment	Enforcemen
1.	Permits, Change, Transfer, Renewal, Sale	\checkmark		\checkmark	
2.	Signs and Markers	✓		✓	
3.	Topsoil	✓			
4.a	Hydrologic Balance: Diversions	✓		✓	
4.b	Hydrologic Balance: Sediment Ponds and Impoundments	✓		✓	
4.c	Hydrologic Balance: Other Sediment Control Measures	V			
4.d	Hydrologic Balance: Water Monitoring	✓		✓	
4.e	Hydrologic Balance: Effluent Limitations	V		✓	
5.	Explosives		V		
6.	Disposal of Excess Spoil, Fills, Benches				
7.	Coal Mine Waste, Refuse Piles, Impoundments		V		
8.	Noncoal Waste	✓		V	
9.	Protection of Fish, Wildlife and Related Environmental Issues	✓			
10.	Slides and Other Damage	V			
11.	Contemporaneous Reclamation	V			
12.	Backfilling And Grading	✓			
13.	Revegetation	✓			
14.	Subsidence Control	✓			
15.	Cessation of Operations	✓		✓	
16.a	Roads: Construction, Maintenance, Surfacing	✓			
16.b	Roads: Drainage Controls	✓		V	
17.	Other Transportation Facilities	V			
18.	Support Facilities, Utility Installations	✓		✓	
19.	AVS Check	V			
20.	Air Quality Permit	✓		V	
21.	Bonding and Insurance	V		✓	
22.	Other				

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1. Permits, Change, Transfer, Renewal, Sale

The permit will expire on February 3, 2012.

2. Signs and Markers

Identification signs are in place and meeting the R645 Coal Rules.

4.a Hydrologic Balance: Diversions

The diversions were spot-checked and would function as designed.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

The sediment pond was inspected for the third quarter with no hazardous conditions reported. I did not see any hazardous conditions during the inspection.

4.d Hydrologic Balance: Water Monitoring

Water monitoring was taken for the third quarter of 2007.

4.e Hydrologic Balance: Effluent Limitations

No UPDES point source discharge for the third quarter.

8. Noncoal Waste

The mine site was clear of non-coal waste materials. However, there is a lot of old mining equipment that could be scraped. The permittee has plans to scrap some of the old equipment.

15. Cessation of Operations

The site is inactive.

16.b Roads: Drainage Controls

The road drainage is functioning.

18. Support Facilities, Utility Installations

No new facilities since the last inspection.

20. Air Quality Permit

The Air Quality permit is DAQE-334-94. The SPCC Plan was reviewed on Dec 3, 2004

21. Bonding and Insurance

The insurance policy number is HD0623732920. This policy will expire on July 31,2008. The bonding amount is \$1,593,00.